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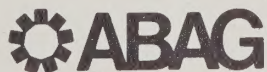
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HOUSING NEEDS DETERMINATIONS
SAN FRANCISCO BAY REGION //

Report required by Government Code Section 65584 under provisions of
Chapter 1143, Statutes of 1980 (AB 2853).

December 1983

Association of Bay Area Governments



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HOUSING NEEDS DETERMINATIONS
SAN FRANCISCO BAY REGION

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1. INTRODUCTION

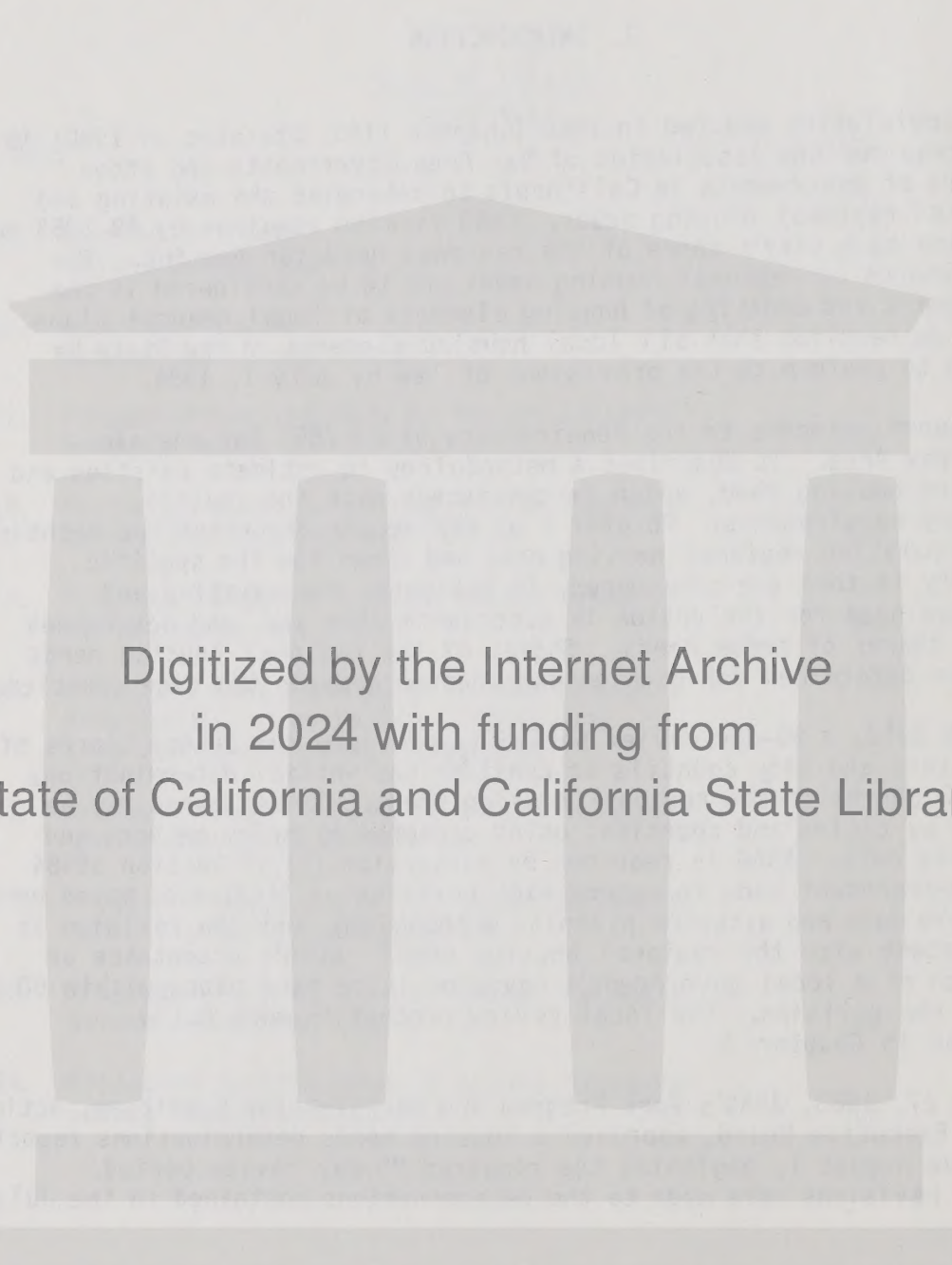
State legislation enacted in 1980 (Chapter 1143, Statutes of 1980; AB 2853) requires the Association of Bay Area Governments and other councils of governments in California to determine the existing and projected regional housing needs. ABAG is also required by AB 2853 to determine each city's share of the regional need for housing. The local shares of regional housing needs are to be considered in the development and updating of housing elements of local general plans. State law requires that all local housing elements in the State be revised to conform to the provisions of law by July 1, 1984.

This report responds to the requirements of AB 2853 for the nine-county Bay Area. It describes a methodology to estimate existing and projected housing need, which is consistent with the specific statutory requirements. Chapter 2 of the report describes the methods for calculating regional housing need and shows how the specific statutory factors are considered. It estimates the existing and projected need for the region in accordance with law, and determines cities' shares of those needs. Shares of the regional housing needs are also determined for each unincorporated area in the nine counties.

Under AB 2853, a 90-day review period is provided for county boards of supervisors and city councils to consider the initial determinations of local shares of the regional housing needs. These shares may be revised by cities and counties, using accepted planning methods and available data. ABAG is required by subsection (c) of Section 65584 of the Government Code to accept each revision or "indicate, based on available data and accepted planning methodology, why the revision is inconsistent with the regional housing need." ABAG's acceptance or rejection of a local government's revision is to take place within 60 days of the revision. The local review process is more fully described in Chapter 3.

On July 27, 1983, ABAG's Work Program and Coordination Committee, acting for the Executive Board, approved a housing needs determinations report effective August 1, beginning the required 90-day review period. Eleven revisions were made to the determinations contained in the July report.

On December 15, the Executive Board of the Association took final action on the housing needs determination revisions made by local governments. The resolution included in this report as Appendix B indicates the revisions accepted and not accepted by ABAG. The staff memorandum included in that appendix describes each local revision. Appendix C contains documentation of environmental review under the California Environmental Quality Act of the final actions taken by ABAG.



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2. LOCAL HOUSING NEEDS DETERMINATIONS

This chapter contains the determinations required of ABAG by provisions of AB 2853. The chapter summarizes the methods used to estimate regional housing needs for the San Francisco Bay Area, and shares of those needs for the nine counties and the 97 cities.

The methods used in this report are generally consistent with those used by ABAG to determine housing needs under AB 2853 in 1981-82 (see ABAG, Housing Needs Report, December 1981). They are not exactly the same, however. The previous report used complicated formulas to compensate for outdated information (which tends to be less reliable) and because of the unavailability of the full 1980 Census data. Now that ABAG has completed its Projections 83 and necessary 1980 Census data is available, the formulas do not have to be as complex (see discussion below and technical appendix).

The tables included in this chapter provide the numerical information relating to determining the housing needs. Also presented are tables relating to the factors required to be considered in making the determinations. The introductory paragraphs preceding the tables indicate how the numerical information should be interpreted by local governments during the review process.

Statutory Requirements

Although regional housing need is not defined precisely in AB 2853, the basic ingredients of the regional housing needs determination process may be inferred from Section 65584 of Article 10.6 of the Government Code. This provides that:

...a locality's share of the regional housing need includes that share of the housing need of persons at all income levels within the area significantly affected by the jurisdiction's general plan.

Once ABAG has completed the determination of regional housing needs, the Department of Housing and Community Development may revise this determination to obtain "consistency" with the statewide housing need (see text below). ABAG's determination of the existing and projected regional need for housing, and the local shares of such need, must take into account six factors specified in subsection (a) of Section 65584:

- Market demand for housing
- Employment opportunities
- Availability of suitable sites and public facilities

- Commuting patterns
- Type and tenure of housing
- Housing needs of farmworkers.

The Government Code also requires that the distribution of regional housing needs "seek to avoid further impactation of localities with relatively high proportions of lower income households."

Market Demand for Housing. Detailed housing market analysis for the region has not been prepared and used by ABAG in previous planning studies. The demand for housing can be assumed from the growth in households likely to occur in the region, as documented in ABAG's recently adopted Projections 83. It can also be ascertained from housing value trends and income/affordability analysis. All influence the estimates of housing supply needed, as well as the potential to realize the housing demand--in the form of incomes sufficient to cover the costs of shelter. For purposes of this report, market demand is explicitly used to produce estimates of the vacancy needed to accommodate the present and forecast population levels, and in estimating the distributing of 1990 housing needs by income level and by type and tenure.

Employment Opportunities. ABAG's determination of the distribution of regional housing needs is required by law to consider employment opportunities. ABAG's Projections 83 formally considers the interaction of population, employment and household forecasts. For purposes of this report, therefore, projected household growth is consistent with the projections report. Therefore, the distribution of regional housing needs based on the projected household growth automatically reflects changes in employment opportunities in the region through the 1990s.

Availability of Suitable Sites and Public Facilities. Similar to changes in employment opportunities, ABAG's projections take into account availability of land for residential purposes. For purposes of this report, based on a review of local plans and other available planning studies, it appears that suitable sites and facilities are available in the region to accommodate projected housing growth. Where such sites and facilities may not be available, ABAG's projections already take these constraints generally into account.

Commuting Patterns. Assumptions about the regional transportation system and associated measures of transportation accessibility are key features of ABAG's projections. Commuting patterns are already factors

identified in the regional transit and highway system included with the Metropolitan Transportation Commission's Regional Transportation Plan. The highway and transit system assumptions are translated to estimates of peak-period levels of service by transportation facility type. These are in turn translated into estimates of travel time from location to location. Such measures of accessibility become key assumptions in determining the location of housing vis a vis job locations.

Type and Tenure of Housing. These factors are separately discussed in the distribution of projected housing need (see text below).

Housing Needs of Farmworkers. These are separately discussed later in this chapter.

Use of Available Information

AB 2853 requires the use of available data in the determination of regional housing needs. The Department provided to ABAG information on population growth for the region projected by the Department of Finance to 1990, and its own projection of households for each county. The Department also noted that the Department of Finance was in the process of revising its baseline projections of population, and that these revisions would affect the projection of households. ABAG staff worked closely with the Department of Finance and many other agencies to produce Projections 83. The projections report, issued by ABAG in June, contains the most reliable, internally consistent projections of population, households and employment for the Bay Area. These projections were adopted by ABAG's Executive Board in June 1983. Further detailed information on the assumptions used in the projections report is not repeated in this report, and interested parties should refer to Projections 83.

Other information used in the preparation of the report include 1970 and 1980 Census data, annual estimates of farmworker employment provided by the Employment Development Department, and other studies where noted.

Housing Need Determination

The method used to calculate the existing and projected housing need for the ABAG region and for each of its cities and counties is designed to reflect the factors prescribed in Section 65584 of Article 10.6. Changes in vacancy rates and in housing values and rents are used as indicators of market demand. Household projections are based on consideration of employment opportunities, the availability of suitable sites and commuting patterns. Type (single vs. multi-family) and tenure (owner vs. renter) are reflected in the calculations, based on the 1970 and 1980 Census information. This determination relies heavily on available data contained in the U.S. Census for 1970 and 1980 and more recently updated regional projections.

SUMMARY OF METHOD

- Step 1. Calculate "available housing" (Aho) in 1980 and 1970. This includes all occupied units plus those vacant units that are available for permanent, full-year occupancy. Vacant units excluded are second homes, units awaiting demolition, those used for seasonal and migrant housing, and those reported by the Census as "vacant other", where the tenure and/or the reason for vacancy were not known.
- Step 2. Calculate the available vacancy ratio, (a), which measures the difference in the amount of vacant available housing, 1970 to 1980, in each jurisdiction.
- Step 3. Calculate the housing cost to income ratio, (b+c), which measures the difference between the rate of increase in housing costs, 1970 to 1980, and the rate of increase in median family incomes over the same period. This is actually calculated in two parts--one reflecting change in the median value of owner-occupied housing, the other reflecting change in median rent paid for all renter-occupied housing. The two parts are combined and weighted according to the relative proportions of homeowners and renters living in each jurisdiction in 1980.
- Step 4. Calculate the "available vacancy rate", (AVR), which measures the proportion of available housing that was vacant and available for occupancy in 1980--i.e., either for rent or for sale.
- Step 5. Calculate the "optimal vacancy rate", (OVR_{80}), which is based largely on the "available vacancy rate" but also reflects an adjustment based on a combination of the factors calculated in steps 2,3 and 4 above. Also reflected in the "optimal" rate is a regional vacancy goal, postulated at 4.5%, which is used as a weighting factor in adjusting each jurisdiction's "available" rate to its "optimal" rate.

- Step 6. Calculate the "existing housing need", (N_E), which is the additional number of units derived from the "optimal vacancy rate" in excess of the number available in 1980. If the 1980 available stock had been increased by the number of units calculated as the "existing need", there would theoretically have been enough housing to have kept the market in a better balance between demand and supply than was the case. That is, prices and rents would have increased more in line with household incomes. Moreover, those seeking housing in the area would theoretically have had a similar range of choices in terms of the number and price range of units available in 1980 as in 1970.
- Step 7. Estimate "available housing", (A_{ho}), 1980, for each "sub-regional study area" (SRSA), where the LAFCO sphere of influence or urban service area boundary has been used instead of the municipal boundaries to project household growth. Since household forecasts have been developed for SRSAs, the projected housing need figures are also developed for SRSAs. The estimate of available housing for the SRSA is derived by first, calculating the ratio of SRSA households to Census households, and second, applying that ratio to the Census count of available housing units.
- Step 8. Calculate the "optimal vacancy rate", (OVR_{90}), for each SRSA. This is done by averaging the optimal rate calculated in step 5 above for each city with that for the county and for the region, for which the optimal rate is taken as .045. If the "optimal rate" used in the "existing need" determination was also applied in the "projected need" determination, the result would be an excess of projected vacant units over the household growth forecast, beyond the amount of vacant housing needed for normal turnover.
- Step 9. Calculate the "projected housing need", (N_p), which is the number of units needed to provide for projected household growth and, at the same time, keep the market in balance. It includes the number of units calculated as the 1980 "existing need", plus the number required to provide for the projected household growth between 1980 and 1990.

It represents the net increase required in the number of housing units available in 1980, in order to accommodate the demand expected by 1990. Any demolitions or conversions, resulting in loss of housing units, would have to be made up by additional production. Any such losses should be calculated for individual jurisdictions in their housing elements.

The actual formulas used to calculate the existing and projected housing need are included in Appendix A, along with a further technical explanation of the methodology.

The remainder of this chapter presents information on the regional housing needs determinations, as follows:

- Existing need
- Projected need
- Income levels
- Farmworker housing need

Existing and Projected Needs

Tables 1 through 8 show existing and projected housing needs by jurisdiction for the nine counties in the Bay Area (these tables include revisions to the housing needs determinations, if accepted by the Executive Board of the Association; see Appendix B). As previously mentioned, the existing needs calculations provides an audit of the region's housing stock situation in 1980. It shows how far short the region and its counties and cities were in having sufficient housing available to have kept the housing market in a better supply-demand balance.

The projected housing need is the number of units needed to fill the existing need, plus provide enough units to accommodate the projected household growth in the county and its cities, plus provide for vacancy to maintain mobility in the housing market.

In terms of local housing element planning, it is these figures that are the most critical to review. Projected housing need is a major subject for local governments to include in updates of their local housing elements. Updated housing elements must be completed by July 1, 1984, according to provisions of State law. Under provisions of Chapter 1152 (AB 2320) of the Statutes of 1980, local governments are required to zone land for residential uses to meet the housing needs as identified in the general plan."

In reviewing the following tables, it is important to keep in mind that Need refers to the required net addition to the housing supply available in 1980. Existing Need is calculated for incorporated areas, using 1980 municipal boundaries. Co. Rem. refers to the county remainder--the total unincorporated area in each county in 1980. Existing Need is calculated for these areas as if they were incorporated places. Projected Need is calculated for each jurisdiction based on urban service area and/or LAFCO sphere of influence boundary. In this case, Co. Rem. or county remainder refers to that portion of the unincorporated area that is outside urban service area or sphere of influence boundaries.

TABLE 1
EXISTING AND PROJECTED HOUSING NEED*
ALAMEDA COUNTY AND CITIES

Jurisdiction	Existing Need* 1980	Projected Need* 1980-1990
Alameda	255	3,161
Albany	78	692* ^{Accepted} [Revision from 854]
Berkeley	761	1,611
Dublin	296	1,956
Emeryville	4	1,221
Fremont	182	10,137
Hayward	130	5,535
Livermore	808	4,311
Newark	246	2,054
Oakland	1,313	7,290
Piedmont	164	177*[Revision not accepted]
Pleasanton	803	4,274
San Leandro	226	2,876
Union City	55	1,931
Co. Rem.	276	3,588
County	5,597	50,814 *[Revised county total]

*"Need": Net addition to available stock. Projected Need includes Existing Need.

TABLE 2
EXISTING AND PROJECTED HOUSING NEED*
CONTRA COSTA COUNTY AND CITIES

Jurisdiction	Existing Need* 1980	Projected Need* 1980-1990
Antioch	67	5,507* [Revision not accepted]
Brentwood	16	2,057
Clayton	7	710
Concord	505	5,423
Danville	45	1,815
El Cerrito	152	546
Hercules	14	3,145
Lafayette	63	590* [Revision from 910] Accepted
Martinez	36	2,882
Moraga	160	1,248
Pinoie	20	919
Pittsburg	31	4,465* [Revision from 5,450] Accepted
Pleasant Hill	47	3,074
Richmond	386	6,396
San Pablo	64	1,172
San Ramon	42	2,903* [Revision from 4,732] Accepted
Walnut Creek	285	4,965
Co. Rem.	427	10,400* [Revision from 7,072] Accepted
County	2,367	58,217* [Revised county total]

*"Need": Net addition to available stock. Projected Need includes Existing Need.

TABLE 3
EXISTING AND PROJECTED HOUSING NEED*
MARIN COUNTY AND CITIES

Jurisdiction	Existing Need* 1980	Projected Need * 1980-1990
Belvedere	34	42
Corte Madera	149	758
Fairfax	53	206
Larkspur	167	982
Mill Valley	156	916
Novato	194	3,528
Ross	72	72
San Anselmo	63	302
San Rafael	680	2,714
Sausalito	51	213
Tiburon	130	630
Co. Rem.	349	155
County	2,101	10,518

*"Need": Net addition to available stock. Projected Need includes Existing Need.

TABLE 4
EXISTING AND PROJECTED HOUSING NEED*
NAPA COUNTY, NAPA COUNTY CITIES,
AND CITY AND COUNTY OF SAN FRANCISCO

Jurisdiction	Existing Need* 1980	Projected Need* 1980-1990
Calistoga	94	137
Napa	793	4,811
St. Helena	14	786
Yountville	7	998
Co. Rem.	412	2,466
County	1,320	9,198
San Francisco	2,398	14,833

*"Need": Net addition to available stock. Projected Need includes Existing Need.

TABLE 5
EXISTING AND PROJECTED HOUSING NEED*
SAN MATEO COUNTY AND CITIES

Jurisdiction	Existing Need* 1980	Projected Need* 1980-1990
Atherton	44	111
Belmont	335	725
Brisbane	26	535
Burlingame	183	902
Colma	6	327
Daly City	421	3,430
East Palo Alto	127	668
Foster City	222	1,832
Half Moon Bay	46	1,583
Hillsborough	40	336
Menlo Park	862	918
Millbrae	71	283
Pacifica	73	813
Portola Valley	20	259
Redwood City	438	3,594
San Bruno	82	286
San Carlos	99	1,129
San Mateo	172	3,107
South San Francisco	104	2,166
Woodside	43	339
Co. Rem.	156	156
County	3,569	23,499

*"Need": Net addition to available stock. Projected Need includes Existing Need.

TABLE 6
EXISTING AND PROJECTED HOUSING NEED *
SANTA CLARA COUNTY AND CITIES

Jurisdiction	Existing Need* 1980	Projected Need* 1980-1990
Campbell	100	1,716
Cupertino	1,923	3,386
Gilroy	33	4,079
Los Altos	146	510
Los Altos Hills	22	273
Los Gatos	246	1,284
Milpitas	164	3,972
Monte Sereno	7	137* [Revision not accepted]
Morgan Hill	30	2,438
Mountain View	594	2,348
Palo Alto	926	2,441
San Jose	3,069	49,556* [Revision rescinded]
Santa Clara	1,401	2,105
Saratoga	192	1,073* [Revision not accepted]
Sunnyvale	1,430	5,047
Co. Rem.	922	391
County	11,205	80,756

*"Need": Net addition to available stock. Projected Need includes Existing Need.

TABLE 7
EXISTING AND PROJECTED HOUSING NEED*
SOLANO COUNTY AND CITIES

Jurisdiction	Existing Need* 1980	Projected Need* 1980-1990
Benicia	253	3,927
Dixon	9	846
Fairfield	288	7,124
Rio Vista	42	919
Suisun	71	2,519
Vacaville	34	6,301
Vallejo	277	9,282
Co. Rem.	95	1,014
County	1,069	31,932

*"Need": Net addition to available stock. Projected Need includes Existing Need.

TABLE 8
EXISTING AND PROJECTED HOUSING NEED
SONOMA COUNTY AND CITIES

Jurisdiction	Existing Need 1980	Projected Need 1980-1990
Cloverdale	45	1,178
Cotati	8	616
Healdsburg	58	1,455
Petaluma	299	5,051
Rohnert Park	103	3,060
Santa Rosa	722	12,260
Sebastopol	6	495
Sonoma	33	1,043
Co. Rem.	702	8,862* [Revision not accepted]
County	1,976	34,020

*"Need": Net addition to available stock. Projected Need includes Existing Need.

Consideration of Type and Tenure of Housing

ABAG, in making its determinations of regional housing needs, is required to consider type of housing (i.e., single, multiple and mobile homes) and tenure of housing (i.e., owner and renter).

Housing Type

Data used in this consideration was derived from the Federal Census of 1980. The July housing needs determinations report included Tables 9 through 16 showing the distribution of projected housing need by type, assuming that the relative distribution of housing would be approximately that of the 1980 Census distribution. The intent of including these tables was to indicate that local governments might wish to examine the relative change in housing type between 1970 and 1980 to determine if different percentages should be used in local housing elements. Because inclusion of these tables seemed to imply that ABAG was "requiring" that the projected housing need be distributed according to the 1980 distribution, the Executive Board directed in its final actions on the housing needs determinations report to delete these tables to avoid this misinterpretation. Housing types must be addressed in each local government housing element, and, while ABAG considered housing type as required by State law with respect to its determinations of housing need, it did not adopt a regional determination of housing need by type.

Tenure of Housing

In determining the existing and projected need for housing, ABAG staff used the 1970 and 1980 percentages of owner and rental housing by jurisdiction for each county in the region and its cities.

It was presumed for purposes of this report that the availability of rental housing should not continue to decline in the region as a whole at the 1970-1980 rate, and that the projected need should be distributed to at least maintain the percentage of rental stock in each community that existed in 1980.

Therefore, the 1980 percentages were applied to the projected housing need (from Tables 1-8) to show the projected housing need by tenure in Tables 17 through 24 of the July housing needs determinations report. However, because inclusion of these tables seemed to imply that ABAG was "requiring" that the projected housing need be distributed according to the 1980 distribution of rental and owner housing, the Executive Board directed in its final actions on the housing needs determinations report to delete these tables to avoid this misinterpretation. ABAG considered housing tenure explicitly in the calculations that led to its determinations of housing need. It did not, however, adopt a regional determination of housing need by tenure.

Consideration of Income Levels

ABAG, in making its determinations of regional housing needs, is required to consider the need for housing at all income levels. Section 65584 of Article 10.6 of the Government Code defines each locality's share of the regional housing need as:

...that share of the housing need of persons at all income levels within the area significantly affected by the jurisdiction's general plan.

The Government Code also requires that the distribution of regional housing needs "seek to avoid further impaction of localities with relatively high proportions of lower income households." State law does not define impaction. It does not prescribe numerical terms under which a community is considered to have a relatively high number of lower income households.

The most widely used definitions of income groupings of population are those used by the U. S. Department of Housing and Urban to determine eligibility for Federal housing assistance. Section 6932 of Title 25 of the California Administrative Code sets forth the income limits used by the State Department of Housing and Community Development, which are in large part based on the HUD income limits. Usually this limit is determined for a four-person household. A set of other factors is used to determine eligibility limits for other household sizes.

Applied to the Bay Area, a household of **very low income** is one with an income of up to 50% of the median income for the region. A household of **low income** is one with an income of 51-80% of the median regional income. A **moderate income** household is one with an income of 81-120% of the median regional income. A household with an income greater than 120% of the regional median is considered of **above moderate income**.

For purposes of the housing needs determinations, this report does not adjust the income levels by household size. It considers the 1979 income distribution of households for each county and city, as reported by the Census Bureau in the 1980 Census. **In contrast with the figures produced in this report, the 1981-82 determinations of regional housing needs by ABAG used Franchise Tax Board information on 1979 tax returns, which is published annually at the county level.** The Franchise Tax Board does not report information on tax returns at the city level. Because of this, ABAG, in taking final action on the distribution of regional housing need by income category, specifically noted that its determinations (in ABAG Technical Memorandum No. 2, March 25, 1982), would be rescinded in 1983 when the 1980 Census data on household incomes by city became available.

The Census reports a 1979 median household income for the region as \$20,607. Thus, a household with an income of \$10,304 or less would be very low income, a household with an income from \$10,305 to \$16,486 would be low income, and a household with an income of from \$16,487 to \$24,728 would be considered of moderate income. An income of greater than \$24,728 would be above moderate income. These income limits were used to estimate the proportion of households in each jurisdiction in the Bay Area in the four income categories.

For the region, 23% of the households are very low income, 16% are low income, 21% are moderate income, and 40% are above moderate income. Tables 9 through 16 show the 1979 distribution of each jurisdiction's households compared to the regional median household income.

Since AB 2853 requires each council of governments to determine regional housing needs, what is implied by a determination of household need by income category is movement toward the distribution of households by income category within the region.

This movement-toward-the-regional-distribution presumption was used by ABAG in its 1981-82 determinations of regional housing needs. The presumption was then--and remains now for this report--that a more equitable distribution of housing opportunities would be achieved. For purposes of this report, the existing city percentages are averaged with the existing county and regional percentages to determine the percentage to be applied to the projected housing need to promote a more equitable distribution of housing opportunities within the Bay Area.

For example, the City of Alameda (with 25% very low) is averaged with Alameda County (28% very low) and the region (23% very low) to derive a projected percentage of 25% very low $\lceil 25+28+23=76; 76/3=25 \rceil$. The projected housing need by income category is shown in Tables 17-24.

The resulting numbers from the procedure described above do not imply that each jurisdiction must **produce** the identified amount of very low, low, moderate and above moderate income housing. The numbers do imply a net increase in the number of available units in each of these income categories. A community can promote additional housing opportunities by a number of means. Included among these are by "filtering;" by allowing large single-family homes to be converted to multi-family uses; by promoting or encouraging the rehabilitation of substandard units or units presently scheduled for demotion; by providing for the conversion of seasonal to year-round occupancy; or by authorizing the construction of new low- and moderate-income housing units. How each county and city will address the determination of regional housing need by income category will be decided within the housing elements of each individual jurisdiction.

TABLE 9
HOUSEHOLD INCOME
ALAMEDA COUNTY AND CITIES

Jurisdiction	Existing Distribution			
	% Very Low	% Low	% Moderate	% Above Moderate
Alameda	25	20	21	34
Albany	30	20	23	27
Berkeley	40	18	17	25
Dublin	9	11	26	54
Emeryville	27	21	26	27
Fremont	14	13	22	52
Hayward	22	17	25	36
Livermore	15	12	23	51
Newark	11	10	23	56
Oakland	39	18	18	25
Piedmont	9	9	14	68
Pleasanton	12	10	18	60
San Leandro	24	18	23	35
Union City	14	13	25	48
Uninc.	21	16	23	40
County	28	17	20	35

Source: 1980 Census

TABLE 10
HOUSEHOLD INCOME
CONTRA COSTA COUNTY AND CITIES

Jurisdiction	Existing Distribution			
	% Very Low	% Low	% Moderate	% Above Moderate
Antioch	22	16	24	38
Brentwood	32	23	21	24
Clayton	5	6	8	81
Concord	18	16	22	44
Danville	6	6	12	76
El Cerrito	21	16	20	43
Hercules	4	5	16	75
Lafayette	13	9	15	63
Martinez	20	13	19	48
Moraga	7	8	13	72
Pinole	13	12	22	53
Pittsburg	25	16	24	35
Pleasant Hill	18	14	22	46
Richmond	34	18	21	27
San Pablo	39	22	21	18
San Ramon	5	7	16	72
Walnut Creek	17	14	18	51
Uninc.	18	13	19	50
County	20	14	20	46

Source: 1980 Census

TABLE 17
HOUSEHOLD INCOME
MARIN COUNTY AND CITIES

Jurisdiction	Existing Distribution			
	% Very Low	% Low	% Moderate	% Above Moderate
Belvedere	11	5	10	74
Corte Madera	12	14	20	54
Fairfax	23	18	21	38
Larkspur	18	15	20	47
Mill Valley	17	14	18	51
Novato	15	15	20	50
Ross	8	11	9	72
San Anselmo	21	17	21	41
San Rafael	22	16	19	43
Sausalito	16	13	21	50
Tiburon	10	11	12	67
Uninc.	15	12	18	55
County	17	14	19	50

Source: 1980 Census

TABLE 12
HOUSEHOLD INCOME
NAPA COUNTY, NAPA COUNTY CITIES,
AND CITY AND COUNTY OF SAN FRANCISCO

Jurisdiction	Existing Distribution			
	% Very Low	% Low	% Moderate	% Above Moderate
Calistoga	48	19	17	16
Napa	26	18	22	34
St. Helena	34	19	19	28
Yountville	35	24	16	25
Uninc.	21	17	22	40
County	26	18	21	35
San Francisco	33	19	20	28

Source: 1980 Census

TABLE 13
HOUSEHOLD INCOME
SAN MATEO COUNTY AND CITIES

Jurisdiction	Existing Distribution			
	% Very Low	% Low	% Moderate	% Above Moderate
Atherton	5	4	5	86
Belmont	12	15	19	54
Brisbane	22	19	22	37
Burlingame	20	19	20	41
Colma	21	13	27	39
Daly City	18	18	23	41
East Palo Alto	34	24	20	22
Foster City	7	12	19	62
Half Moon Bay	17	12	19	52
Hillsborough	5	4	6	85
Menlo Park	21	16	19	44
Millbrae	15	14	18	53
Pacifica	15	13	24	48
Portola Valley	4	4	9	83
Redwood City	23	19	20	38
San Bruno	15	16	25	44
San Carlos	14	14	20	52
San Mateo	18	17	22	43
South San Francisco	18	15	24	43
Woodside	8	5	11	76
Uninc.	15	13	19	53
County	17	16	21	46

Source: 1980 Census

TABLE 14
HOUSEHOLD INCOME
SANTA CLARA COUNTY AND CITIES

Jurisdiction	Existing Distribution			
	% Very Low	% Low	% Moderate	% Above Moderate
Campbell	23	18	23	36
Cupertino	9	10	17	64
Gilroy	25	17	21	37
Los Altos	8	7	12	73
Los Altos Hills	5	5	8	82
Los Gatos	17	13	17	53
Milpitas	12	13	25	50
Monte Sereno	10	5	14	71
Morgan Hill	17	13	20	50
Mountain View	20	20	25	35
Palo Alto	17	15	18	50
San Jose	19	15	21	45
Santa Clara	18	17	22	43
Saratoga	7	7	11	75
Sunnyvale	15	17	23	45
Uninc.	19	15	20	46
County	17	15	21	47

Source: 1980 Census

TABLE 15
HOUSEHOLD INCOME
SOLANO COUNTY AND CITIES

Jurisdiction	Existing Distribution			
	% Very Low	% Low	% Moderate	% Above Moderate
Benicia	18	15	21	46
Dixon	23	18	22	37
Fairfield	25	21	22	32
Rio Vista	27	15	24	34
Suisun City	20	13	30	37
Vacaville	21	16	25	38
Vallejo	28	19	23	30
Uninc.	25	16	19	40
County	25	18	23	34

Source: 1980 Census

TABLE 16
HOUSEHOLD INCOME
SONOMA COUNTY AND CITIES

Jurisdiction	Existing Distribution			
	% Very Low	% Low	% Moderate	% Above Moderate
Cloverdale	35	14	22	29
Cotati	34	23	19	24
Healdsburg	31	18	23	28
Petaluma	23	16	22	39
Rohnert Park	24	18	26	32
Santa Rosa	28	19	22	31
Sebastopol	37	18	21	24
Sonoma	30	18	19	33
Uninc.	28	19	21	32
County	28	19	22	31

Source: 1980 Census

TABLE 17
PROJECTED HOUSING NEED BY INCOME CATEGORY
ALAMEDA COUNTY AND CITIES

Jurisdiction	Very Low	Low	Moderate	Above Moderate	
Alameda	790 (25%)	569 (18%)	664 (21%)	1,138 (36%)	
Albany	187 (27%)	125 (18%)	145 (21%)	235 (34%)	*****
Berkeley	483 (30%)	274 (17%)	306 (19%)	548 (34%)	
Dublin	391 (20%)	274 (14%)	450 (23%)	841 (43%)	
Emeryville	317 (26%)	220 (18%)	269 (22%)	415 (34%)	
Fremont	2,230 (22%)	1,521 (15%)	2,129 (21%)	4,257 (42%)	
Hayward	1,328 (24%)	941 (17%)	1,218 (22%)	2,048 (37%)	
Livermore	948 (22%)	647 (15%)	905 (21%)	1,811 (42%)	
Newark	411 (20%)	288 (14%)	452 (22%)	903 (44%)	
Oakland	2,187 (30%)	1,239 (17%)	1,458 (20%)	2,406 (33%)	
Piedmont	35 (20%)	25 (14%)	32 (18%)	85 (48%)	
Pleasanton	898 (21%)	598 (14%)	855 (20%)	1,923 (45%)	
San Leandro	719 (25%)	489 (17%)	604 (21%)	1,064 (37%)	
Union City	425 (22%)	290 (15%)	425 (22%)	792 (41%)	
Co. Rem.	861 (24%)	574 (16%)	753 (21%)	1,400 (39%)	
County	12,210	8,074	10,665	19,865	*****

*****[Reflects revision of projected housing need.]

TABLE 18
PROJECTED HOUSING NEED BY INCOME CATEGORY
CONTRA COSTA COUNTY AND CITIES

Jurisdiction	Very Low	Low	Moderate	Above Moderate	
Antioch	1,211 (22%)	826 (15%)	1,211 (22%)	2,259 (41%)*	[Revision not accepted]
Brentwood	514 (25%)	370 (18%)	411 (20%)	762 (37%)	
Clayton	114 (16%)	85 (12%)	114 (16%)	397 (56%)	
Concord	1,085 (20%)	868 (16%)	1,139 (21%)	2,331 (43%)	
Danville	290 (16%)	218 (12%)	327 (18%)	980 (54%)	
El Cerrito	115 (21%)	82 (15%)	109 (20%)	240 (44%)	
Hercules	503 (16%)	377 (12%)	598 (19%)	1,667 (53%)	
Lafayette	112 (19%)	77 (13%)	106 (18%)	295 (50%)	*****
Martinez	605 (21%)	403 (14%)	576 (20%)	1,298 (45%)	
Moraga	212 (17%)	162 (13%)	225 (18%)	649 (52%)	
Pinole	175 (19%)	129 (14%)	193 (21%)	422 (46%)	
Pittsburg	1,027 (23%)	670 (15%)	982 (22%)	1,786 (40%)	*****
Pleasant Hill	615 (20%)	461 (15%)	646 (21%)	1,352 (44%)	
Richmond	1,663 (26%)	1,023 (16%)	1,343 (21%)	2,367 (37%)*	[Revision not accepted]
San Pablo	316 (27%)	199 (17%)	246 (21%)	411 (35%)*	
San Ramon	464 (16%)	348 (12%)	552 (19%)	1,539 (53%)	*****
Walnut Creek	993 (20%)	745 (15%)	993 (20%)	2,234 (45%)	
Co. Rem.	2,080 (20%)	1,456 (14%)	2,080 (20%)	4,784 (46%)	*****
County	12,094	8,499	11,851	25,773	*****

*****[Reflects revision of projected housing need.]

TABLE 19
PROJECTED HOUSING NEED BY INCOME CATEGORY
MARIN COUNTY AND CITIES

Jurisdiction	Very Low	Low	Moderate	Above Moderate
Belvedere	7 (17%)	5 (12%)	7 (17%)	23 (54%)
Corte Madera	129 (17%)	114 (15%)	152 (20%)	363 (48%)
Fairfax	43 (21%)	33 (16%)	41 (20%)	88 (43%)
Larkspur	187 (19%)	147 (15%)	196 (20%)	452 (46%)
Mill Valley	174 (19%)	137 (15%)	174 (19%)	431 (47%)
Novato	635 (18%)	529 (15%)	706 (20%)	1,658 (47%)
Ross	11 (16%)	10 (14%)	11 (16%)	40 (54%)
San Anselmo	60 (20%)	48 (16%)	60 (20%)	134 (44%)
San Rafael	570 (21%)	407 (15%)	543 (20%)	1,194 (44%)
Sausalito	40 (19%)	30 (14%)	43 (20%)	100 (47%)
Tiburon	107 (17%)	88 (14%)	107 (17%)	328 (52%)
Co. Rem.	28 (18%)	22 (14%)	29 (19%)	76 (49%)
County	1,991	1,570	2,069	4,887

TABLE 20
PROJECTED HOUSING NEED BY INCOME CATEGORY
NAPA COUNTY AND CITIES, AND CITY AND COUNTY OF SAN FRANCISCO

Jurisdiction	Very Low	Low	Moderate	Above Moderate
Calistoga	44 (32%)	25 (18%)	27 (20%)	41 (30%)
Napa	1,203 (25%)	818 (17%)	1,010 (21%)	1,780 (37%)
St. Helena	220 (28%)	141 (18%)	157 (20%)	268 (34%)
Yountville	279 (28%)	190 (19%)	190 (19%)	339 (34%)
Co. Rem.	567 (23%)	419 (17%)	518 (21%)	962 (39%)
County	2,313	1,593	1,902	3,390
San Francisco	4,450 (30%)	2,670 (18%)	2,967 (20%)	4,746 (32%)

TABLE 21
PROJECTED HOUSING NEED BY INCOME CATEGORY
SAN MATEO COUNTY AND CITIES

Jurisdiction	Very Low	Low	Moderate	Above Moderate
Atherton	17 (15%)	13 (12%)	18 (16%)	63 (57%)
Belmont	123 (17%)	116 (16%)	145 (20%)	341 (47%)
Brisbane	112 (21%)	91 (17%)	112 (21%)	220 (41%)
Burlingame	180 (20%)	153 (17%)	190 (21%)	379 (42%)
Colma	65 (20%)	49 (15%)	75 (23%)	138 (42%)
Daly City	652 (19%)	583 (17%)	755 (22%)	1,440 (42%)
East Palo Alto	167 (25%)	114 (17%)	140 (21%)	247 (37%)
Foster City	293 (16%)	275 (15%)	366 (20%)	898 (49%)
Half Moon Bay	301 (19%)	237 (15%)	317 (20%)	728 (46%)
Hillsborough	50 (15%)	40 (12%)	54 (16%)	192 (57%)
Menlo Park	184 (20%)	147 (16%)	184 (20%)	403 (44%)
Millbrae	51 (18%)	42 (15%)	57 (20%)	133 (47%)
Pacifica	146 (18%)	122 (15%)	179 (22%)	366 (45%)
Portola Valley	39 (15%)	31 (12%)	44 (17%)	145 (56%)
Redwood City	755 (21%)	611 (17%)	755 (21%)	1,473 (41%)
San Bruno	51 (18%)	46 (16%)	63 (22%)	126 (44%)
San Carlos	203 (18%)	169 (15%)	237 (21%)	520 (46%)
San Mateo	590 (19%)	497 (16%)	653 (21%)	1,367 (44%)
S. San Francisco	411 (19%)	347 (16%)	477 (22%)	931 (43%)*[Revision not accepted]
Woodside	54 (16%)	41 (12%)	61 (18%)	183 (54%)
Co. Rem.	28 (18%)	23 (15%)	31 (20%)	74 (47%)
County	4,532	3,793	4,907	10,267

TABLE 22
PROJECTED HOUSING NEED BY INCOME CATEGORY
SANTA CLARA COUNTY AND CITIES

Jurisdiction	Very Low	Low	Moderate	Above Moderate
Campbell	360 (21%)	275 (16%)	377 (22%)	704 (41%)
Cupertino	542 (16%)	474 (14%)	677 (20%)	1,693 (50%)
Gilroy	897 (22%)	653 (16%)	857 (21%)	1,672 (41%)
Los Altos	82 (16%)	66 (13%)	92 (18%)	270 (53%)
Los Altos Hills	41 (15%)	33 (12%)	46 (17%)	153 (56%)
Los Gatos	244 (19%)	193 (15%)	257 (20%)	590 (46%)
Milpitas	675 (17%)	596 (15%)	874 (22%)	1,827 (46%)
Monte Sereno	23 (17%)	16 (12%)	26 (19%)	72 (52%) * <small>[Revision not accepted]</small>
Morgan Hill	463 (19%)	366 (15%)	512 (21%)	1,097 (45%)
Mountain View	470 (20%)	399 (17%)	517 (22%)	962 (41%) * <small>[Revision not accepted]</small>
Palo Alto	464 (19%)	366 (15%)	488 (20%)	1,123 (46%)
San Jose	9,911 (20%)	7,433 (15%)	10,407 (21%)	21,805 (44%) * <small>[Revision rescinded]</small>
Santa Clara	400 (19%)	337 (16%)	442 (21%)	926 (44%)
Saratoga	172 (16%)	139 (13%)	193 (18%)	569 (53%)
Sunnyvale	908 (18%)	807 (16%)	1,110 (22%)	2,222 (44%)
Co. Rem.	78 (20%)	59 (15%)	82 (21%)	172 (44%)
County	15,730	12,212	16,957	35,857

TABLE 23
PROJECTED HOUSING NEED BY INCOME CATEGORY
SOLANO COUNTY AND CITIES

Jurisdiction	Very Low	Low	Moderate	Above Moderate
Benicia	864 (22%)	628 (16%)	864 (22%)	1,571 (40%)
Dixon	203 (24%)	144 (17%)	186 (22%)	313 (37%)
Fairfield	1,710 (24%)	1,282 (18%)	1,567 (22%)	2,565 (36%)
Rio Vista	230 (25%)	147 (16%)	211 (23%)	331 (36%)
Suisun City	579 (23%)	403 (16%)	630 (25%)	907 (36%)
Vacaville	1,449 (23%)	1,071 (17%)	1,449 (23%)	2,332 (37%)
Vallejo	2,320 (25%)	1,671 (18%)	2,042 (22%)	3,249 (35%)
Co. Rem.	243 (24%)	172 (17%)	213 (21%)	386 (38%)
County	7,598	5,518	7,162	11,654

*[Revision
accept

TABLE 24
PROJECTED HOUSING NEED BY INCOME CATEGORY
SONOMA COUNTY AND CITIES

Jurisdiction	Very Low	Low	Moderate	Above Moderate
Cloverdale	342 (29%)	188 (16%)	259 (22%)	389 (33%)
Cotati	173 (28%)	117 (19%)	129 (21%)	197 (32%)
Healdsburg	393 (27%)	262 (18%)	320 (22%)	480 (33%)
Petaluma	1,263 (25%)	859 (17%)	1,111 (22%)	1,818 (36%)
Rohnert Park	765 (25%)	551 (18%)	704 (23%)	1,040 (34%)
Santa Rosa	3,188 (26%)	2,207 (18%)	2,697 (22%)	4,168 (34%)
Sebastapol	144 (29%)	89 (18%)	104 (21%)	158 (32%)
Sonoma	282 (27%)	188 (18%)	219 (21%)	354 (34%)
Co. Rem.	2,304 (26%)	1,595 (18%)	1,861 (21%)	3,102 (35%)
County	8,854	6,056	7,404	11,706

Consideration of Farmworker Housing Need

As noted previously, one factor to be considered in the determination of regional housing need is the housing needs of farmworkers.

The State Department of Employment Development annually estimates the total agricultural employment in 42 of the State's counties. Of these counties, figures are not available for two Bay Area counties--San Francisco and Marin.

EDD estimates there were approximately 21,330 workers employed in agriculture in the region in 1981--the last year EDD estimated agricultural employment for the seven counties covered by the annual estimates. This number includes farmers and members of their families who were unpaid; regular and seasonal hired domestic workers; and agricultural workers brought to California under contract from outside the United States. This last category of worker has contained no workers since termination of the bracero program by then-Governor Ronald Reagan in 1967.

Farmers and Unpaid Family. The number of farmers and unpaid family workers in 1981 was estimated by EDD to be 4,470. This was 75% lower than the number in this category in 1950.

Regular and Seasonal Hired Domestic Workers. The total number of workers in the Bay Area in this category in 1981 was estimated at 16,860, compared to the early 1950s, when the number reached approximated 30,000.

Background on Farmworker Housing Needs. For purposes of this report, farmworkers are defined as **regular and seasonal hired domestic workers**. Complete data on the specific housing needs of farmworkers is not available from the 1980 Census, and the surveys done by EDD do not cover all farmworkers. In 1976, farmworker families were estimated to have an average annual income of less than \$6,000 statewide. As is the case of most low-income households, the housing needs of farmworkers far exceed governments' ability to provide assistance. The Farmers Home Administration (FmHa) is the most important provider of permanent housing for farmworkers, but FmHA assistance suffers from its own income qualifying standards and a shortage of staff and funds. Other providers of farmworker housing are the State Department of Housing and Community Development and the Office of Migrant Services of EDD (which operates migrant centers throughout the State).

Because farmworkers are of low-income and their employment status is often tenuous, they are often unable to compete for housing on the open market. In addition, because most share a culture and language that is often different from the communities in which they work, they are often discriminated against in the housing market.

Even among the broader farmworker population, there are different groups--each with its own housing problems. Regular or year-round farmworkers are defined by EDD as those working 150 or more days for the

same employer. Their incomes are generally higher than seasonal workers (who work less than 150 days annually for the same employer), although most are unable to obtain affordable ownership or standard rental housing.

Seasonal and migrant seasonal workers represent less than half of the region's farmworker population. In Sonoma County, the Bay Area county with the highest number of farmworkers, about one-quarter are seasonal workers. Seasonal workers are generally local residents who depend heavily on finding employment in the agricultural industry to support their families. Migrant seasonal workers are those who travel more than 50 miles across county lines to obtain agricultural employment. The housing needs of the latter category is most severe because of constant travel. These workers often take what they can get in terms of housing, which often includes living in substandard, overcrowded conditions.

A 1975 study by Self-Help Enterprises found that statewide trends and projections indicated a stabilization of the agricultural work force. Another of the study's conclusion was a projection that seasonal farmworker employment would gradually decline as a result of the increased demand for year-round workers.

Determining the Housing Needs of Farmworkers. For purposes of this report, the EDD estimates were used to project the number of farmworkers for 1990.

1. Because total domestic farmworker employment estimates were available beginning with 1950, a trend-line analysis using simple linear regression was used to project total hired domestic employment for 1990. The 1990 estimate was corrected for the difference between the predicted 1981 level and the estimate for that year. A total of domestic farmworkers were estimated for each county for 1990.

2. It was assumed for purposes of this report that labor force participation among farmworkers is 1.5 workers/household.

This assumption was based on the traditional family participation in the fields, the shifting needs of farm operations and an increasing attendance at both regular and migrant schools, as farmworker parents are increasingly realizing the value of education for their children despite their own lower educational attainment levels.

The 1.5 workers/household figure was used to estimate the number of farmworker households for 1980 (using the EDD figures) and for the projected 1990 farmworkers (from step 1 above).

3. Finally, the projection of 1990 regular and seasonal farmworker households was compared with the estimates for 1980 to determine the "projected housing need" for farmworker households. For the region as a whole, the projected need for housing for regular farmworkers is the difference between the projected 1990 number of households and the estimated existing number of regular domestic farmworker households.

For the region as a whole, the analysis described above suggests there will be a decline in the number of farmworker households in the region, and in each county where EDD estimates agricultural employment annually. Therefore, the for additional housing for farmworkers is not demonstrable in the region. This is consistent with the projected decline of agricultural employment for the region, as discussed in Projections 83.

Because this report concentrates on determining a needed increase in housing available for year-round occupancy, it is assumed that seasonal workers will continue to be housed in non-year-round units. For planning purposes, this means that no net increase in seasonal or migrant housing is calculated. Each city and the county within the ABAG region, however, should consider this category of need in individual housing elements.

3. LOCAL GOVERNMENT REVIEW PROCESS

Chapter 1143 of the Statutes of 1980 provides a three-step review process for determining regional housing needs. These steps are:

- Initial determination of regional housing needs by ABAG.
- Local review and revision, where appropriate.
- ABAG action on the local revisions.

Initial Determination Phase

This step would be accomplished by ABAG action on this report, which identifies the regional housing needs, and local shares of such needs, after consideration of the factors listed in Section 66584 of the Government Code. The completion of this step would begin a 90-day local revision process. The ABAG Work Program and Coordination Committee, acting for the Executive Board, will be asked to complete this phase at its meeting of July 28, 1983. The determinations would be made effective August 1, 1983.

Local Review and Revision Phase

Subsection (c) of Section 65584 of the Government Code provides for a 90-day period during which each Bay Area county and city may revise its share of the regional housing need, using accepted planning methods and available data.

ABAG Action on Local Revisions Phase

Within 60 days of a local government's revision to its share of the regional housing need, ABAG must either accept the revision, or indicate why the revision is inconsistent with the regional housing needs.

The housing element law specifies that local government revisions must be based on available data and accepted planning methods. It does not specify what constitutes available data, nor does it prescribe a planning methodology.

The most critical assumption with respect to the regional housing needs determinations is that household growth between 1980 and 1990 in each jurisdiction will occur at the rate specified in Projections 83, which has been reviewed by local governments prior to its adoption by ABAG's Executive Board in June 1983.

The housing need for the unincorporated area of each county (called "county remainder" in this report) is not distributed to unincorporated communities within the nine counties. ABAG will rely on the counties to determine how such housing needs are to be addressed for the unincorporated area in each county's housing element.

In taking action on the July housing needs determinations report, ABAG requested cities and counties in the Bay Area to review the report, and its assumptions carefully, and to make appropriate revisions, if necessary, effective on October 28, 1983. As previously mentioned, eleven such revisions were made. These are described in a staff memorandum, with recommendations for ABAG Executive Board action. The memorandum is included as an attachment to the ABAG Executive Board Resolution 6-83, adopted by the Board on December 15, 1983. The resolution is included in this report as Appendix B.

APPENDIX A

TECHNICAL DEFINITIONS AND FORMULAS FOR CALCULATING REGIONAL HOUSING NEEDS

The formulas used to calculate the existing and projected housing need are included in this appendix. The terms used are listed and defined below. The formulas used to calculate housing needs are shown on the next page, followed by an explanation of how the optimal vacancy rate is calculated.

a = vacancy ratio

b + c = housing cost to income ratios

ln = natural logarithm

Aho = available housing units

hh = households = occupied housing units

SR = household size ratio = .8716

hv = median value of owner-occupied units

fi = median family income

rv = median rent of renter-occupied units

fu = unweighted variance factor

fw = weighted variance factor

RVR = Regional Vacancy Rate = .045

AVR = Available Vacancy Rate = $\frac{Aho - hh}{Aho}$

Shc = Shortfall coefficient

OVR = Optimal Vacancy Rate

N_E = Existing Need (1980)

N_G = Growth Need (1980-90)

N_P = Projected Need (1990)

Formulas Used to Calculate Existing and Projected Housing Need

$$a = \frac{(\ln Aho_{70} - \ln hh_{70})}{\ln Aho_{80} - \ln hh_{80}}^{SR}$$

$$b = \frac{\ln hv_{80} - \ln hv_{70}}{\ln fi_{80} - \ln fi_{70}} \times \% \text{ owner hh}$$

$$c = \frac{\ln rv_{80} - \ln rv_{70}}{\ln fi_{80} - \ln fi_{70}} \times \% \text{ renter hh}$$

$$fu = \frac{a + (b + c)}{20} - .1$$

$$fw = fu \left\{ \frac{RVR}{AVR} \right\}$$

$$Shc = \frac{1}{1 + fw}$$

$$Shc = \frac{AVR}{AVR + .00225 (a + (b+c)) - .0045}$$

$$OVR = (AVR)^{Shc}$$

$$N_E = \frac{hh_{80}}{1 - OVR} - Aho_{80}$$

$$N_G = \frac{hh_{90} - hh_{80}}{1 - OVR}$$

$$N_P = N_E + N_G = \frac{hh_{90}}{1 - OVR} - Aho_{80}$$

Calculating the Optimal Vacancy Rate

After calculating the three ratios (a), (b) and (c), they are summed in the following manner:

$$f_u = \frac{a + (b + c)}{20} - .1$$

Ratios (b) plus (c), combined, are given equal weight to ratio (a) in the formula. Thus, if they sum to a value to 2, then the existing available vacancy rate would be the optimal rate and the existing need would be 0. Also, a floor constraint is set, such that (a) ≥ 1.0 and (b) plus (c) ≥ 1.0 . This implies that the optimal rate cannot be less than the available vacancy rate, and there cannot be a "negative housing need." The larger the variance (fu) from zero, the greater the implied disequilibrium with respect to excess demand over supply.

After calculating the variance factor, a weight is applied to adjust for a Regional Vacancy Goal Ratio. This ratio is used to adjust the difference between a jurisdiction's vacancy rate and the regional vacancy goal of 4.5% for all housing. The reciprocal of the ratio (jurisdiction vacancy rate/Regional Goal vacancy rate) is a multiplier which is applied to the variance factor (fu) to calculate a weighted variance factor (fw). The multiplier is used to minimize any potential bias against jurisdictions that may have high initial vacancy rates. Generally, these jurisdictions are older and have a higher proportion of units that are substandard. Since substandard units do not generally turn over as fast, they create artificially higher vacancy rates that do not reflect actual demand in a jurisdiction for adequate housing.

Next, a coefficient of short-fall is calculated. This coefficient represents the deficiency by which the existing vacancy rate must be adjusted in order to obtain the optimal vacancy rate. If the local market is near equilibrium, then the variance approaches 0.0. A short-fall coefficient of 1.0 equals the existing vacancy rate, and the existing need would be zero.

That is,

$$\frac{1}{1 + 0} = 1.0$$

After calculating this coefficient, it is used to raise the existing rate to an optimal level by use of a power function. A power function (y^x) is used where: y = calculated vacancy rate and x = the short-fall coefficient. This function is used because it

suggests mathematically a relationship that best measures severity of the housing short-fall and is not linear, but increases the upward movement of the optimal vacancy rate at an increasing rate as the coefficient of short-fall diverges from 1.0. As a measure of elasticity, for every 0.01 decline in the severity coefficient there is an approximate 4% decline in the available vacancy rate needed to move the market near equilibrium. Now, assume that the available vacancy rate in a community is .038 or 3.8% of the available housing stock. Let, $(0.038 \cdot .8704 = .058)$ which implies that the optimal vacancy rate should be closer to 5.8% as opposed to 3.8%. The difference between the two numbers implies a housing production short-fall.

APPENDIX B

ASSOCIATION OF BAY AREA GOVERNMENTS EXECUTIVE BOARD RESOLUTION NO. 6-83

HOUSING NEEDS DETERMINATIONS

WHEREAS, Chapter 1143 of the Statutes of 1980 (hereinafter "Chapter 1143") requires the Association (hereinafter "ABAG") to determine regional housing needs and applicable city and county shares of such needs; and

WHEREAS, local shares of such needs are to be addressed in city and county housing elements due July 1, 1984; and

WHEREAS, Chapter 1143 provides that the determinations of regional housing needs are to be based on available data and accepted planning methods and are to consider criteria specified in Section 65584 of the Government Code; and

WHEREAS, Chapter 1143 further requires that the distribution of regional housing needs "seek to avoid further impaction of localities with relatively high proportions of lower income households;" and

WHEREAS, ABAG staff prepared a Housing Needs Determinations report (hereinafter "the report") that considers statutorily required criteria and available information in developing the proposed determinations of the regional housing needs and each Bay Area local government's share of such needs; and

WHEREAS, the report sought to avoid further impaction by distributing each jurisdiction's projected housing need among the various income groups to provide for a more equitable distribution of regional housing opportunities, and to reduce the percentages of lower income housing need for new households in jurisdictions with higher concentrations of very low income households than the San Francisco Bay region as a whole; and

WHEREAS, the report was reviewed and approved by the Work Program and Coordination Committee, acting for the Executive Board, by Resolution 1-83, on July 27; and

WHEREAS, Chapter 1143 provides for a 90-day period in which local governments may revise their shares of the regional housing needs based upon available data and accepted planning methods; and

WHEREAS, Chapter 1143 provides for a subsequent 60-day period in which ABAG is required to accept revisions to the local shares of the regional

housing need or indicate, based upon available data and accepted planning methods, why revisions are inconsistent with regional housing needs; and

WHEREAS, revisions to the regional housing needs determinations have been received by the Association; and

WHEREAS, these revisions have been reviewed by the Association staff for consistency with the regional housing needs determinations and with available data and accepted planning methods; and

WHEREAS, it is proposed that certain revisions be accepted by the Association and that other revisions be found inconsistent with the regional housing needs based on available data and accepted planning methods, as identified in the staff report marked "Attachment A" and incorporated herein by reference; and

WHEREAS, the Association staff has prepared the appropriate environmental documents under the California Environmental Quality Act for ABAG's final actions on regional housing needs determinations; and

WHEREAS, the Negative Declaration was approved by the Executive Board on December 15, 1983, after consideration of comments received at a public hearing;

NOW THEREFORE BE IT

RESOLVED, that revisions to the projected housing need for the County of Contra Costa and the cities of Albany, Lafayette, Pittsburg and San Ramon are approved and found consistent with regional housing needs based on available data and accepted planning methods; and be it further

RESOLVED, that revisions to the projected housing need for the County of Sonoma and the cities of Antioch, Monte Sereno, Piedmont, and Saratoga are inconsistent with regional housing needs based on available data and accepted planning methods; and be it further

RESOLVED, that revisions to the projected housing need by income category by the cities of Antioch, Monte Sereno, Mountain View, Richmond, San Pablo, South San Francisco, and Vallejo are inconsistent with the mandate of Chapter 1143 to determine the housing need for persons of all income levels, because they would significantly reduce the projected regional need for lower income housing, notwithstanding the fact that revisions would tend to reduce impactation in certain of these communities.

RESOLVED, that the Association notes that the seven cities formally

revising the distribution of housing need by income category may address their disagreements with ABAG's figures in their housing elements and the State Department of Housing and Community Development should acknowledge and review their concerns.

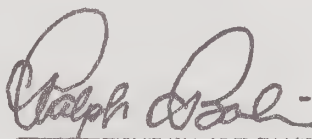
The foregoing resolution was approved by the Executive Board. this 15th day of December, 1983.

Attest:

Signed:



Revan A. F. Tranter
Secretary-Treasurer



Ralph Bolin
President

MEMORANDUM

DT: December 7, 1983

TO: Regional Planning Committee

FM: Jean Safir, Housing Program Manager
Doug Detling, Legislative Affairs Officer

RE: Regional Housing Needs Determination

State legislation enacted in 1980 (Chapter 1143, Statutes of 1980; AB 2853) requires the Association of Bay Area Governments and other councils of governments in California to determine the existing and projected regional housing needs. ABAG is also required by AB 2853 to determine each county's and each city's share of the regional need for housing. The local shares of regional housing needs are to be considered in the development and updating of housing elements of local general plans. State law requires that all local housing elements in the State be revised to conform to the provisions of law by July 1, 1984.

In response to the requirements of AB 2853, ABAG's Work Program and Coordination Committee, acting for the Executive Board, on July 28, 1983, adopted the Housing Needs Determinations report, effective August 1, 1983. This adoption began the official 90-day review period, required by State law, allowing cities and counties to review the determinations of applicable shares of the regional housing need and revise them under specified conditions.

On October 28, 1983, the 90-day review period ended, with eleven (11) local governments having revised the determination of local shares of the region's housing need. Table I, following, indicates the initial determinations and revisions adopted by local governments within the official 90-day review period. Part A contains the total numbers of additional dwellings needed, while part B contains the percentages of the total need to be provided at each income level. Table 2 presents a more detailed description of local government responses to the Housing Needs Determinations report. Both tables indicate ABAG staff's recommendation for final action by Executive Board on December 15, 1983. Under AB 2853, ABAG is required to accept each revision adopted by a local government within the 90-day review period or to "indicate, based on available data and accepted planning methodology, why the revision is inconsistent with the regional housing need."

At its December 15 meeting, Executive Board will also receive and consider comments on the Negative Declaration of environmental impact, prepared November 14, 1983, and circulated for public review. A copy is also attached to this memorandum, for your information.

Following Executive Board action, each local government is required by AB 2853 to indicate, in its own housing element, its share of the regional need as determined by ABAG. If a locality chooses to revise its share, and that revision either occurs after the 90-day review period or is not accepted by ABAG, the locality must fully document the revision in its housing element update, required before July 1, 1984.

In other words, a local government need not accept ABAG's final determination as its own goal for expansion of the housing supply to meet needs. Local conditions that were not taken into account in ABAG's determination may be considered in developing goals and quantified objectives in local housing element updates. Moreover, if revised land use policies are put into effect that would change a locality's growth potential subsequent to ABAG's projections, the local housing element update should reflect such revision.

A number of communities that took no formal action to revise the ABAG determinations did send letters signed by a local official. These jurisdictions included Yountville, San Francisco, San Mateo City and County, Morgan Hill, Petaluma and Sebastopol. Since these responses do not constitute revisions to the ABAG determinations, in the terms provided by AB 2853, they are not included in the following tables.

General Comments and Staff Recommendations

Income Distribution

Staff recommends that all local government revisions to the income distributions be found inconsistent with the regional housing need and, therefore, they should not be accepted. Taken collectively, these revisions would result in a reduction of the projected need for very low income housing of 4,754 units and of 2,668 units of low income housing. These reductions would amount to 7% and 5%, respectively, of the region's need in these two categories. If accepted, they would inaccurately describe the region's housing needs for persons of all income levels, which is required by state law.

It should be recognized that, while a number of communities would have had a more equitable projection of need by income using a different approach from the one ABAG used, no one approach has been proposed as the "right" one for all such jurisdictions. Some proposed using only the regional distribution and leaving out the county figures, while others proposed just the opposite. Still others adopted revised percentages based on the ABAG housing need determination of 1982, while a few indicated virtually no technical basis for their revisions. The method used in the ABAG figures would not substantially reduce impaction in all areas, but would tend to "avoid further impaction", as required by State Law for the region as a whole.

In the context of local housing element updates, individual jurisdictions may take into account all of the factors considered in developing revisions to ABAG's determinations. These include lack of adequate subsidies, insufficient market incentives, local migration trends and development policies. The State's housing element requirements specifically provide for these factors to be examined in determining their impact on a jurisdiction's ability to meet its housing needs.

Housing Type and Tenure

State law requires that housing type and tenure be considered in calculating the regional housing need and local shares of the regional needs. It does not explicitly require that the projected need be distributed by type and tenure, although the initial report (July 1983) did include such tables. These were misinterpreted by a number of communities as ABAG assumptions that projected housing need should be provided in a way that maintains the 1980 distributions. Staff therefore recommends that these tables be removed from the final report so that it is clear that they are not part of ABAG's determinations regarding the region's housing need and that these considerations can more appropriately be handled in the context of local housing elements.

Table 1. Existing and Projected Housing Needs: Initial Determinations and Revisions

Part A: Total Numbers of Additional Dwellings Needed by 1990

<u>County/City</u>	Initial Determination by ABAG *		<u>Local Govt. Revisions of Projected Need</u>	<u>Recommended Final Determination</u>
	<u>Existing Need</u>	<u>Projected Need</u>		
<u>Alameda County</u>	<u>5,597</u>	<u>50,976</u>		
Alameda	255	3,161		
Albany	78	854	692	692
Berkeley	761	1,611		
Dublin	296	1,956		
Emeryville	4	1,221		
Fremont	182	10,137		
Hayward	130	5,535		
Livermore	808	4,311		
Newark	246	2,054		
Oakland	1,313	7,290		
Piedmont	164	177	37	177
Pleasanton	803	4,274		
San Leandro	226	2,876		
Union City	55	1,931		
Co. Rem.	276	3,588		
 <u>Contra Costa County</u>	 <u>2,367</u>	 <u>58,023</u>		
Antioch	67	5,507	4,080	5,507
Brentwood	16	2,057		
Clayton	7	710		
Concord	505	5,423		
Danville	45	1,815		
El Cerrito	152	546		
Hercules	14	3,145		
Lafayette	63	910	590	590
Martinez	36	2,882		
Moraga	160	1,248		
Pinole	20	919		
Pittsburg	31	5,450	4,465	4,465
Pleasant Hill	47	3,074		
Richmond	386	6,396		
San Pablo	64	1,172		
San Ramon	42	4,732	2,903	2,903
Walnut Creek	285	4,965		
Co. Rem.	427	7,072	10,400	10,400

<u>County/City</u>	Initial Determination by ABAG *		<u>Local Govt. Revisions of Projected Need</u>	<u>Recommended Final Determination</u>
	<u>Existing Need</u>	<u>Projected Need</u>		
<u>Marin County</u>	<u>2,101</u>	<u>10,518</u>		
Belvedere	34	42		
Corte Madera	149	758		
Fairfax	53	206		
Larkspur	167	982		
Mill Valley	156	916		
Novato	194	3,528		
Ross	72	72		
San Anselmo	63	302		
San Rafael	680	2,714		
Sausalito	51	213		
Tiburon	130	630		
Co. Rem.	349	155		
<u>Napa County</u>	<u>1,320</u>	<u>9,198</u>		
Calistoga	94	137		
Napa	793	4,811		
St. Helena	14	786		
Yountville	7	998		
Co. Rem.	412	2,466		
<u>San Francisco</u>	<u>2,398</u>	<u>14,833</u>		
<u>San Mateo County</u>	<u>3,569</u>	<u>23,499</u>		
Atherton	44	111		
Belmont	335	725		
Brisbane	26	535		
Burlingame	183	902		
Colma	6	327		
Daly City	421	3,430		
East Palo Alto	127	668		
Foster City	222	1,832		
Half Moon Bay	46	1,583		
Hillsborough	40	336		
Menlo Park	862	918		
Millbrae	71	283		
Pacifica	73	813		
Portola Valley	20	259		
Redwood City	438	3,594		

<u>County/City</u>	Initial Determination by ABAG *		<u>Local Govt. Revisions of Projected Need</u>	<u>Recommended Final Determination</u>
	<u>Existing Need</u>	<u>Projected Need</u>		
San Bruno	82	286		
San Carlos	99	1,129		
San Mateo	172	3,107		
South San Francisco	104	2,166		
Woodside	43	339		
Co. Rem.	156	156		
 <u>Santa Clara County</u>	 <u>11,205</u>	 <u>80,756</u>		
Campbell	100	1,716		
Cupertino	1,923	3,386		
Gilroy	33	4,079		
Los Altos	146	510		
Los Altos Hills	22	273		
Los Gatos	246	1,284		
Milpitas	164	3,972		
Monte Sereno	7	137	114	137
Morgan Hill	30	2,438		
Mountain View	594	2,348		
Palo Alto	926	2,441		
San Jose	3,069	49,556	32,302	49,556
Santa Clara	1,401	2,105		
Saratoga	192	1,073	723	1,073
Sunnyvale	1,430	5,047		
Co. Rem.	922	391		
 <u>Solano County</u>	 <u>1,069</u>	 <u>31,932</u>		
Benicia	253	3,927		
Dixon	9	846		
Fairfield	288	7,124		
Rio Vista	42	919		
Suisun	71	2,519		
Vacaville	34	6,301		
Vallejo	277	9,282		
Co. Rem.	95	1,014		

<u>County/City</u>	Initial Determination by ABAG *		<u>Local Govt. Revisions of Projected Need</u>	<u>Recommended Final Determination</u>
	<u>Existing Need</u>	<u>Projected Need</u>		
<u>Sonoma County</u>	<u>1,976</u>	<u>34,020</u>		
Cloverdale	45	1,178		
Cotati	8	616		
Healdsburg	58	1,455		
Petaluma	299	5,051		
Rohnert Park	103	3,060		
Santa Rosa	722	12,260		
Sebastopol	6	495		
Sonoma	33	1,043		
Co. Rem.	702	8,862	6,800	8,862

* Existing need is calculated for cities according to their municipal boundaries in 1980. For the "county remainder" ("Co. Rem."), the figures apply to the total unincorporated area. Projected need is calculated for city spheres of influence, or other "subregional study area" identified in ABAG projections. In this case, the "county remainder" figures apply to the area outside all city spheres of influence.

Part B: Total Projected Need Distributed by Household Income Category

Initial Determination by ABAG

Local Government Revisions

	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>
<u>Alameda County</u>								
Alameda	790 (25%)	569 (18%)	664 (21%)	1,138 (36%)	187 (27%)	125 (18%)	145 (21%)	235 (34%)
Albany	231 (27%)	154 (18%)	179 (21%)	290 (34%)				
Berkeley	483 (30%)	274 (17%)	306 (19%)	548 (34%)				
Dublin	391 (20%)	274 (14%)	450 (23%)	841 (43%)				
Emeryville	371 (26%)	220 (18%)	269 (22%)	415 (34%)				
Fremont	2,230 (22%)	1,521 (15%)	2,129 (21%)	4,257 (42%)				
Hayward	1,328 (24%)	941 (17%)	1,218 (22%)	2,048 (37%)				
Livermore	948 (22%)	647 (15%)	905 (21%)	1,811 (42%)				
Newark	411 (20%)	288 (14%)	452 (22%)	903 (44%)				
Oakland	2,187 (30%)	1,239 (17%)	1,458 (20%)	2,406 (33%)				
Piedmont	35 (20%)	25 (14%)	32 (18%)	85 (48%)				
Pleasanton	898 (21%)	598 (14%)	855 (20%)	1,923 (45%)				
San Leandro	719 (25%)	489 (17%)	604 (21%)	1,064 (37%)				
Union City	425 (22%)	290 (15%)	425 (22%)	792 (41%)				
Co. Rem.	861 (24%)	574 (16%)	753 (21%)	1,400 (39%)				
<u>Contra Costa County</u>								
Antioch	1,211 (22%)	826 (15%)	1,211 (22%)	2,259 (41%)	816 (20%)	571 (14%)	816 (20%)	1,877 (46%)
Brentwood	514 (25%)	370 (18%)	411 (20%)	762 (37%)				
Clayton	114 (16%)	85 (12%)	114 (16%)	397 (56%)				
Concord	1,085 (20%)	868 (16%)	1,139 (21%)	2,331 (43%)				
Danville	290 (16%)	218 (12%)	327 (18%)	980 (54%)				
El Cerrito	115 (21%)	82 (15%)	109 (20%)	240 (44%)				
Hercules	503 (16%)	377 (12%)	598 (19%)	1,667 (53%)				
Lafayette	173 (19%)	118 (13%)	164 (18%)	455 (50%)				
Martinez	605 (21%)	403 (14%)	576 (20%)	1,298 (45%)				
Moraga	212 (17%)	162 (13%)	225 (18%)	649 (52%)				
Pinoie	175 (19%)	129 (14%)	193 (21%)	422 (46%)				
Pittsburg	1,250 (23%)	820 (15%)	1,199 (22%)	2,181 (40%)				
Pleasant Hill	615 (20%)	461 (15%)	646 (21%)	1,352 (44%)				
Richmond	1,663 (26%)	1,023 (16%)	1,343 (21%)	2,367 (37%)				
San Pablo	316 (27%)	199 (17%)	246 (21%)	411 (35%)				
San Ramon	757 (16%)	568 (12%)	899 (19%)	2,508 (53%)				
Walnut Creek	993 (20%)	745 (15%)	993 (20%)	2,234 (45%)				
Co. Rem.	1,414 (20%)	990 (14%)	1,414 (20%)	3,254 (46%)				
				2,080 (20%)	1,456 (14%)	2,080 (20%)	4,784 (46%)	

Initial Determination by ABAG

Local Government Revisions

	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>
<u>Marin County</u>								
Belvedere	7 (17%)	5 (12%)	7 (17%)	23 (54%)				
Corte Madera	129 (17%)	114 (15%)	152 (20%)	363 (48%)				
Fairfax	43 (21%)	33 (16%)	41 (20%)	88 (43%)				
Larkspur	187 (19%)	147 (15%)	196 (20%)	452 (46%)				
Mill Valley	174 (19%)	137 (15%)	174 (19%)	431 (47%)				
Novato	635 (18%)	529 (15%)	706 (20%)	1,658 (47%)				
Ross	11 (16%)	10 (14%)	11 (16%)	40 (54%)				
San Anselmo	60 (20%)	48 (16%)	60 (20%)	134 (44%)				
San Rafael	570 (21%)	407 (15%)	543 (20%)	1,194 (44%)				
Sausalito	40 (19%)	30 (14%)	43 (20%)	100 (47%)				
Tiburon	107 (17%)	88 (14%)	107 (17%)	328 (52%)				
Co. Rem.	28 (18%)	22 (14%)	29 (19%)	76 (49%)				
<u>Napa County</u>								
Calistoga	44 (32%)	25 (18%)	27 (20%)	41 (30%)				
Napa	1,203 (25%)	818 (17%)	1,010 (21%)	1,780 (37%)				
St. Helena	220 (28%)	141 (18%)	157 (20%)	268 (34%)				
Yountville	279 (28%)	190 (19%)	190 (19%)	339 (34%)				
Co. Rem.	567 (23%)	419 (17%)	518 (21%)	962 (39%)				
<u>San Francisco</u>								
	4,450 (30%)	2,670 (18%)	2,967 (20%)	4,746 (32%)				
<u>San Mateo County</u>								
Atherton	17 (15%)	13 (12%)	18 (16%)	63 (57%)				
Belmont	123 (17%)	116 (16%)	145 (20%)	341 (47%)				
Brisbane	112 (21%)	91 (17%)	112 (21%)	220 (41%)				
Burlingame	180 (20%)	153 (17%)	190 (21%)	379 (42%)				
Colma	65 (20%)	49 (15%)	75 (23%)	138 (42%)				
Daly City	652 (19%)	583 (17%)	755 (22%)	1,440 (42%)				
East Palo Alto	167 (25%)	114 (17%)	140 (21%)	247 (37%)				
Foster City	293 (16%)	275 (15%)	366 (20%)	898 (49%)				
Half Moon Bay	301 (19%)	237 (15%)	317 (20%)	728 (46%)				
Hillsborough	50 (15%)	40 (12%)	54 (16%)	192 (57%)				
Menlo Park	184 (20%)	147 (16%)	184 (20%)	403 (44%)				
Millbrae	51 (18%)	42 (15%)	57 (20%)	133 (47%)				
Pacifica	146 (18%)	122 (15%)	179 (22%)	366 (45%)				

Initial Determination by ABAG

Local Government Revisions

	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>
Portola Valley	39 (15%)	31 (12%)	44 (17%)	145 (56%)				
Redwood City	755 (21%)	611 (17%)	755 (21%)	1,473 (41%)				
San Bruno	51 (18%)	46 (16%)	63 (22%)	126 (44%)				
San Carlos	203 (18%)	169 (15%)	237 (21%)	520 (46%)				
San Mateo	590 (19%)	497 (16%)	653 (21%)	1,367 (44%)				
S. San Francisco	411 (19%)	347 (16%)	477 (22%)	931 (43%)	0	129 (6%)	851 (39%)	1,186 (55%)
Woodside	54 (16%)	41 (12%)	61 (18%)	183 (54%)				
Co. Rem.	28 (18%)	23 (15%)	31 (20%)	74 (47%)				

Santa Clara County

Campbell	360 (21%)	275 (16%)	377 (22%)	704 (41%)				
Cupertino	542 (16%)	474 (14%)	677 (20%)	1,693 (50%)				
Gilroy	897 (22%)	653 (16%)	857 (21%)	1,672 (41%)				
Los Altos	82 (16%)	66 (13%)	92 (18%)	270 (53%)				
Los Altos Hills	41 (15%)	33 (12%)	46 (17%)	153 (56%)				
Los Gatos	244 (19%)	193 (15%)	257 (20%)	590 (46%)				
Milpitas	675 (17%)	596 (15%)	874 (22%)	1,827 (46%)				
Monte Sereno	23 (17%)	16 (12%)	26 (19%)	72 (52%)	0	0	0	114 (100%)
Morgan Hill	463 (19%)	366 (15%)	512 (21%)	1,097 (45%)				
Mountain View	470 (20%)	399 (17%)	517 (22%)	962 (41%)	0	0	0	2,348 (100%)
Palo Alto	464 (19%)	366 (15%)	488 (20%)	1,123 (46%)				
San Jose	9,911 (20%)	7,433 (15%)	10,407 (21%)	21,805 (44%)	6,461 (20%)	4,845 (15%)	6,783 (21%)	14,213 (44%)
Santa Clara	400 (19%)	337 (16%)	442 (21%)	926 (44%)				
Saratoga	172 (16%)	139 (13%)	193 (18%)	569 (53%)				
Sunnyvale	908 (18%)	807 (16%)	1,110 (22%)	2,222 (44%)				
Co. Rem.	78 (20%)	59 (15%)	82 (21%)	172 (44%)				

Solano County

Benicia	864 (22%)	628 (16%)	864 (22%)	1,571 (40%)				
Dixon	203 (24%)	144 (17%)	186 (22%)	313 (37%)				
Fairfield	1,710 (24%)	1,282 (18%)	1,567 (22%)	2,565 (36%)				
Rio Vista	230 (25%)	147 (16%)	211 (23%)	331 (36%)				
Suisun City	579 (23%)	403 (16%)	630 (25%)	907 (36%)				
Vacaville	1,449 (23%)	1,071 (17%)	1,449 (23%)	2,332 (37%)				
Vallejo	2,320 (25%)	1,671 (18%)	2,042 (22%)	3,249 (35%)	619 (7%)	575 (6%)	1,343 (15%)	6,745 (73%)
Co. Rem.	243 (24%)	172 (17%)	213 (21%)	386 (38%)				

Initial Determination by ABAGLocal Government Revisions

	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>
<u>Sonoma County</u>								
Cloverdale	342 (29%)	188 (16%)	259 (22%)	389 (33%)				
Cotati	173 (28%)	117 (19%)	129 (21%)	197 (32%)				
Healdsburg	393 (27%)	262 (18%)	320 (22%)	480 (33%)				
Petaluma	1,263 (25%)	859 (17%)	1,111 (22%)	1,818 (36%)				
Rohnert Park	765 (25%)	551 (18%)	704 (23%)	1,040 (34%)				
Santa Rosa	3,188 (26%)	2,207 (18%)	2,697 (22%)	4,168 (34%)				
Sebastopol	144 (29%)	89 (18%)	104 (21%)	158 (32%)				
Sonoma	282 (27%)	188 (18%)	219 (21%)	354 (34%)				
Co. Rem.	2,304 (26%)	1,595 (18%)	1,861 (21%)	3,102 (35%)				
<u>Regionwide</u>	69,727 (22%)	49,959 (16%)	65,874 (21%)	128,195 (41%)				

Table 2. Specific Comments and Actions Taken by Local Governments
During 90-day Review Period on the Housing Needs Determination

<u>Jurisdiction</u>	<u>Action</u>	<u>Staff Recommendation</u>
<u>ALAMEDA COUNTY</u>		
Alameda (City)	Resolution to accept ABAG projected need	
Albany	Resolution to revised projected needs from 854 to 692 units, based on (1) corrected data on permitted density of developable land and (2) historic data on housing production and vacancy rates.	Accept revision based on more accurate data on density of developable land.
Fremont	Resolution to accept ABAG determinations.	
Piedmont	Resolution to revise projected need from 177 to 37, based on ABAG's projected net increase in number of households.	Reject revision, which does not include consideration of existing need or required vacancy rate.
<u>CONTRA COSTA COUNTY</u>		
Antioch	Council action to revise projected need from 5,507 to 4,080 units, based on current household size data; also recommend revised income distribution.	Reject revisions, based on inaccurate household size calculations; see "General Comment" section on income distribution.
Clayton	Resolution to accept projected need and income distribution, and to revise distribution by housing type.	See "General Comment" section on housing type.
Concord	Resolution to accept ABAG determinations.	
Lafayette	Resolution to revise projected need from 910 to 590 units, based on corrected geographic unit and coordinated with county revision.	Accept revision based on more accurate data.

<u>Jurisdiction</u>	<u>Action</u>	<u>Staff Recommendation</u>
Pittsburg	Resolution to revise projected need from 5,450 to 4,465 units, based on corrected calculations and coordinated with county revisions; objects to income distribution, but no revision.	Accept revision, based on more accurate data.
Richmond	Resolution to revise distributions by income and by tenure, based on data and methodology used in city's housing element.	See "General Comment" section on distribution by income and tenure.
San Pablo	Resolution to accept projected need and revise distribution by income, based on immigration trends.	See "General Comment" section on distribution by income and tenure.
San Ramon	Council action to revise projected need from 4,732 to 2,903, based on correction of geographic unit data and coordinated with county revision.	Accept revisions, based on more accurate data.
County	Resolution to revised projected need from 7,072 to 10,400, based on correction of geographic area data for San Ramon and Lafayette and on corrected data for Pittsburg.	Accept revision, based on more accurate data.
<u>MARIN COUNTY</u>		
Belvedere	Council action to revise distribution by housing type.	See "General Comments" section on distribution by housing type.
Corte Madera	Resolution to revised distribution by housing type.	See "General Comments" section on distribution by housing type.
San Rafael	Resolution to accept ABAG determination.	
County	Resolution to accept ABAG determinations.	
<u>NAPA COUNTY</u>		
Napa, City of	Resolution to accept ABAG determinations.	

<u>Jurisdiction</u>	<u>Action</u>	<u>Staff Recommendation</u>
ounty	Board action to accept ABAG determinations.	
<u>AN MATEO COUNTY</u>		
ast Palo Alto	Council Action to advise that "estimates... prepared by ABAG were reviewed by the City..."	
ortola Valley	Resolution to accept ABAG determinations,"...with the understanding that affordable units are not expected to be provided through new construction of single-family houses."	
San Francisco	Resolution to accept ABAG determinations of projected need and revise income distribution.	See "General Comments" section on distribution by income.
<u>NTA CLARA COUNTY</u>		
onte Sereno	Resolution to revise projected need from 137 to 114, and income distribution, based on available land inventory, economic and environmental constraints and neighborhood opposition.	Reject revision; ABAG projections reflect land available; other factors are to be considered in local housing element.
ountain View	Resolution to accept projected need and to revise distribution by income, type and tenure.	See "General Comments" section.
n Jose	Resolution to revise projected need from 49,556 to 32,302, based on the proportion of the county's projected employment growth forecast by ABAG for San Jose.	Reject revision; City's current General Plan Policies and land use controls were considered in developing ABAG projections; city's revised policies and controls, to be reflected in local housing element update, will be considered in later ABAG projections.
ratoga	Resolution to revise projected need from 1073 to 723, based on current market data on housing production, revised data on Williamson Act contracts, and economic and environmental constraints.	Reject revisions; Williamson Act data was considered in ABAG projections; other factors should be considered in local housing element update.

Jurisdiction

Action

Staff Recommendation

SOLANO COUNTY

Vallejo

Resolution to revise income distribution, based on objective to achieve a 1990 distribution equal to that of the Bay Area.

See "General Comments" section on income distribution.

SONOMA COUNTY

County

Resolution to revise projected need from 8,862 to 6,800, based on County's General Plan policy to emphasize "city-centered" growth; and to assign the difference to city spheres of influence; delete type and tenure tables and revise income distribution to reflect county rather than regional medians.

Reject revision of projected need. ABAG projections reflect county development policies and land use controls; revision not coordinated with cities; see "General Comments" section on distribution by income, type and tenure.



Association of Bay Area Governments

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NEGATIVE DECLARATION

PROPOSED REGIONAL HOUSING NEEDS DETERMINATIONS

Description of the Project

The project is a determination of regional housing need and each local government's share of that need, as required by enactment of Chapter 1143, Statutes of 1980. Pursuant to that statute, ABAG's Work Program and Coordination Committee, acting for the Executive Board, on July 28, 1983, adopted the Housing Needs Determinations report, effective August 1, 1983.

This adoption began an official 90-day period, ending October 28, 1983, allowing Bay Area cities and counties to revise the determination of applicable shares of the regional housing need. As required by law, ABAG must act to accept such revisions or indicate why they are inconsistent with regional housing need. Thus, the project proposed for action by the Executive Board consists of:

- Determinations of localities share of the regional housing need, as contained in the July 1983 Housing Needs Determinations report, if accepted by localities.
- Revisions to localities' shares of the regional housing need, as proposed for acceptance by ABAG.
- Findings that certain local revisions are inconsistent with the regional housing needs.

Location of the Proposed Project

The housing needs determinations apply to the nine-county Bay Area and its 97 cities.

Project Proponent

Association of Bay Area Governments
Hotel Claremont
Berkeley, CA 94705

Finding that the Proposed Project Will Not Have a Significant Effect on the Environment

Based on the Initial Study, the staff of the Association has determined that the proposed final action on the regional housing needs, to be acted upon by the Executive Board of the Association at its regular meeting of December 15, 1983, will not have a significant effect on the environment. The Negative Declaration has been circulated for public review, as required.

Copy of the Initial Study

A copy is attached.

Mitigation Measures Necessary to Avoid Potentially Significant Effects on the Environment

No measures are necessary.

Public Comments

Comments on the Negative Declaration will be received by the Executive Director until the close of a public hearing to be conducted during the ABAG Executive Board's regular meeting of December 15, 1983, at 7:30 p.m., at the Holiday Inn, Emeryville. Comments will be considered prior to final action on the housing needs determinations.

Negative Declaration prepared November 14, 1983.

November 10, 1983

TO: ABAG Executive Board

FM: Doug Detling, Legislative Affairs Officer 
Jean Safir, Housing Program Manager

RE: Initial Study--Housing Needs Determinations Report (AB 2853)

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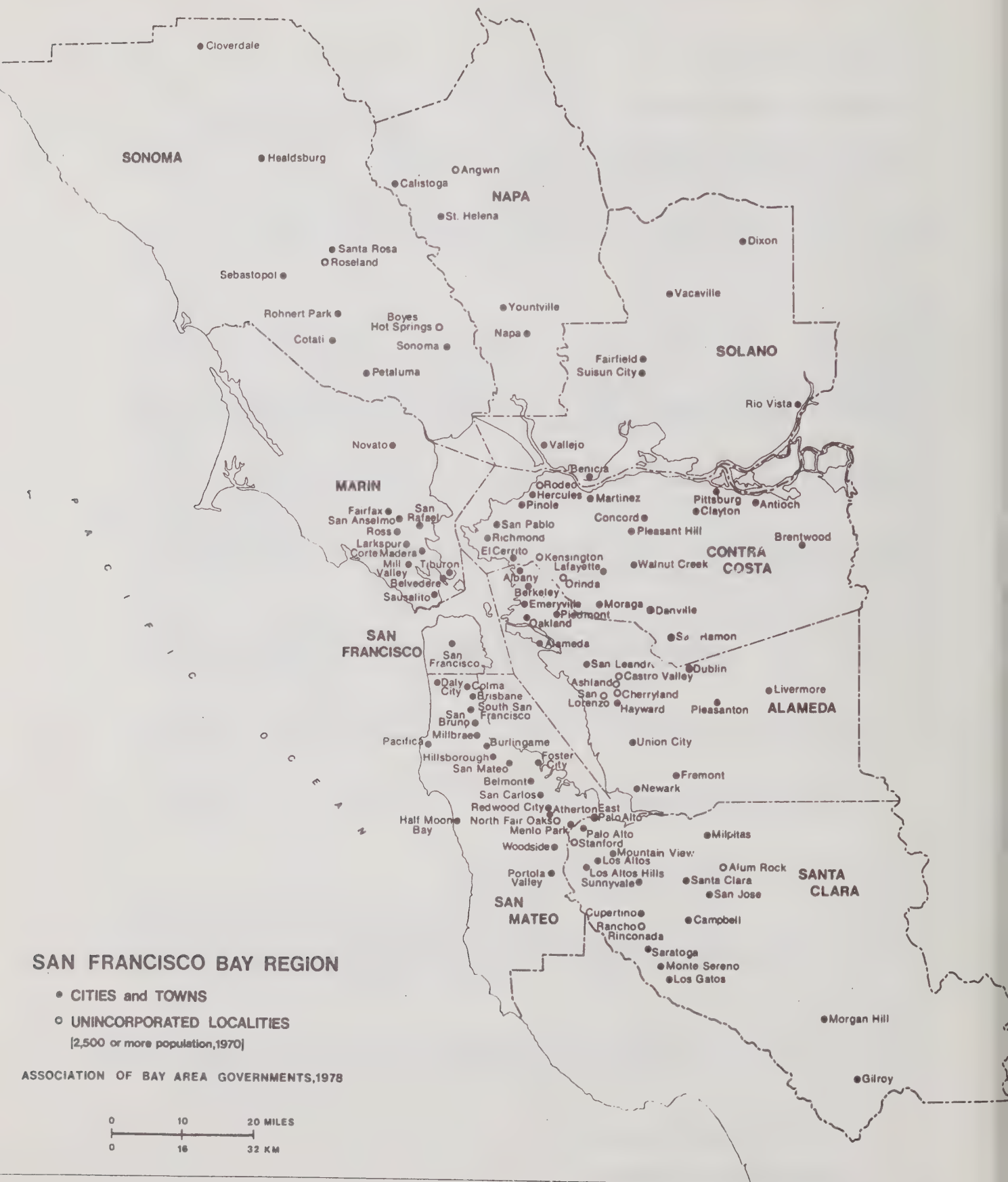
Identification of the Environmental Setting

The housing needs determinations apply to the nine-county Bay Area and its 97 cities (see attached map). A description of the environmental setting is contained in Part I of the Regional Plan, San Francisco Bay Area.

Identification of Effects

The housing needs determinations are required to take into consideration six factors, specified in subsection (a) of Section 65584 of the Government Code:

1. Market demand for housing.
2. Employment opportunities



3. Availability of suitable sites and public facilities.
4. Commuting patterns.
5. Type and tenure of housing.
6. Housing needs of farmworkers.

The law also requires that the distribution of regional housing needs "seek to avoid further impactation of localities with relatively high proportions of lower income households."

Table 1 identifies the effects attributable to the proposed housing needs determinations. Once ABAG action is completed, local governments will have to address the housing needs determinations in local housing elements, as required by Article 10.6 of the Government Code; this article requires that all local housing elements be revised to conform to its provisions by July 1, 1984.

The housing chapter of ABAG's Regional Plan calls for provision of housing in accord with the region's need. The Bay Area is expected to have approximately one million more people by the year 2000, according to ABAG's Projections 83. These projections are used in all ABAG's planning programs, more specifically in the air and water quality planning programs. The water quality plan calls for the development of additional wastewater treatment facilities to accommodate the projected growth in the region. The air quality and water supply management provisions of the environmental quality chapter of the Regional Plan are based on the same population level. Therefore the provision of housing to serve population growth anticipated by the projections will not have significant adverse environmental effects.

Projections 83 indicated as 1980-1990 growth in households in the Bay Area of 268,000. The Housing Needs Determinations report assumes this same incremental growth in households through 1990.

The 1982 Bay Area Air Quality Plan, based on ABAG's Projections 79, provided for measures to attain applicable Federal air quality standards by 1985-87, and to maintain standards thereafter. These measures included a series of controls on stationary and mobile sources of pollutant emissions. The Annual Air Quality Report for 1982, prepared for the Environmental Protection Agency and the California Air Resources Board by ABAG, the Bay Area Air Quality Management District and the Metropolitan Transportation Commission, compares the differences in population forecasts for 1990 for the two sets of projections.

As noted, ABAG's most recent projections forecast a 1990 population level of 5,745,400--about 53,000 persons higher than the level shown in Projections 79, the basis of the currently approved air quality plan for the region. The incremental difference in population between the projections would not account for a significant increase in air quality problems in the region, since it takes approximately 275,000 persons to produce a 10 tons/day increase in hydrocarbon emissions. This is less than the amount of emissions necessary to produce a significant change in ozone levels (a 0.005

TABLE 1 - IDENTIFICATION OF EFFECTS

ENVIRONMENT	INSTITUTIONAL/FINANCE	ECONOMIC	SOCIAL
<p><u>Air</u> • No significant effect</p> <p><u>Surface/Groundwater</u> • No significant effect in demand for water supply, in wastewater treatment capacity, or on surface runoff water quality.</p> <p><u>Energy</u> • Potential increased consumption of energy through accommodation of growth, but not significantly different from level now projected.</p> <p><u>Amenities</u> • No significant effect at regional level.</p> <p><u>Physical Resources</u> • Potential depletion of wood and forest resources, water pollution of forest streams, and loss of open land resources. Not significant at regional level because growth projected is consistent with levels associated with current policy, and existing State reforestation practices and programs mitigate environmental effects.</p>	<p><u>Financial</u> • State and Federal housing assistance may be targeted to communities with "adequate" plans under Chapter 1143.</p> <p>• Increase in local government revenues and expenditures resulting from expansion of housing supply.</p> <p><u>Institutional</u> • Changes in local general plans.</p>	<p><u>Production of Goods and Services</u></p> <p>• Reduction of unemployment and underemployment through housing construction activity.</p> <p><u>Income and Investment</u> • Continued capital investment for new and replacement facilities and equipment to accommodate projected growth.</p> <p><u>Consumer Expenditures</u> • Continued increase in consumer expenditures.</p>	<p><u>Housing Supply</u> • Increased availability of housing.</p> <p>• Potential increased construction of affordable housing.</p> <p><u>Physical Mobility</u> • Improved mobility by improving overall regional vacancy rate for housing.</p> <p>• May improve transportation accessibility by improvements in jobs/housing balance overall in the region.</p> <p><u>Health and Safety</u> • Indirect effects because of changing growth patterns.</p> <p><u>Equity</u> • Potential improved housing opportunities for low- and moderate-income families.</p> <p><u>Urban Patterns</u> • Improvement of existing urban patterns by encouraging a better balance of jobs and housing.</p>

parts per million change is regarded as significant).

The local revisions proposed for the Housing Needs Determinations report, for which approval by ABAG's Executive Board will be recommended, would increase the projected net increase in housing units by 32. This increase would not significantly alter the environmental effects as identified in the table.

There would be no significant adverse water quality or water supply effects from population growth (and the housing units necessary to accommodate that growth) because increased demand for both wastewater treatment capacity and water supply are accommodated by existing regional policies adopted by ABAG and approved or recognized by State and Federal agencies. As part of the environmental quality chapter of the Regional Plan, these existing regional policies have already been subjected to extensive environmental analysis pursuant to CEQA.

While localized surface runoff problems may occur from construction activities associated with implementation of policies calling for increased construction, these would tend to be minimized by implementation of surface runoff control programs already adopted by local governments and implementation of policies or the water quality management plan. In implementing the environmental quality chapter, ABAG has undertaken an aggressive role to alleviate, prevent and therefore mitigate such construction-related surface runoff problems. Beyond this, control of any localized surface runoff that might occur from project-specific construction is within the jurisdiction of local agencies that must also comply with CEQA when approving plans and projects. No significant adverse surface runoff effects will occur as a result of implementation of the proposed housing needs determinations.

Discussion of Ways to Mitigate the Significant Effects Identified

Any significant localized effects will be identified at the time of local agency actions on a local housing element or revision thereof, or prior to any action on a specific development project. ABAG may suggest mitigation consistent with Regional Plan policies. The governmental agency responsible for the project or plan will consider mitigating any project-specific significant environmental effects at the time the proposal is made and discussed.

Examination of Whether the Project is Compatible with Existing Zoning and Plans

The project may result in the ABAG Executive Board's support of changes in local general plans and zoning to accommodate a locality's share of the regional housing need.

Initial Study Prepared by

Doug Detling, Linda Morse, and Jean Safir, staff, Association of Bay Area Governments

Based on this study, the staff of the Association will prepare, and circulate for public review pursuant to CEQA, a Negative Declaration for the proposed housing needs determinations.

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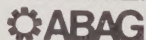
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